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Electricity Pricing: Choices For The 80's

American Attitudes on Electricity Pricing and Economic Growth

Survey Conducted by
Cambridge Reports, Inc.
For Union Carbide Corporation

ALABAMA

UNION CARBIDE

Corporate Communications Department
270 Park Avenue
New York, N.Y. 10017

Preface

Electricity has become an issue of increasing public concern. After decades of *declining* prices, rapid increases in charges to all electricity consumers occurred during the 1970s. Higher costs incurred by the utilities—especially the rapid escalation of the cost of fuel needed to generate electricity—have made it necessary for utilities to increase the rates they charge for electricity sold to factories, stores, and homes.

Since 1972, the price charged for each unit of electricity used by industry has increased almost *twice* as much as the price charged for each unit used by residential consumers. Electricity rates to industry rose nearly 20% in 1980, putting an onerous burden on those industries that are electricity-intensive in their operations. But while these higher electricity charges to industry are almost inevitably passed along in the total price consumers pay for goods and services, Americans are more immediately concerned about the increases in the electricity bills they pay at home. So not surprisingly, the price of residential electricity has been the main factor in the public debate about electricity price structures.

What is not generally appreciated by the public is that the sharp increases in industry's electric rates are partly the result of rate-making policies that force industry to subsidize other types of users.

Inescapable increases in utility generating costs and higher rates for electricity users have led some federal and state policymakers to try to hold down rises in residential rates by moving away from the historical formula used to set electricity rates, a formula called "cost of service." The "cost of service" principle means that utilities charge each different class of customer what it actually costs to supply that class with the electricity it uses. Since it costs a utility more to bring one kilowatt hour of electricity to a single family home than to a large manufacturing facility because of economies of scale, home owners pay more under cost of service for that one kilowatt than do industrial customers.

Many different rate-making approaches have been proposed that would circumvent the cost-of-service principle. Almost all of these approaches require industry and commerce to subsidize other electricity users by having industry's rates raised disproportionately when compared to the rates of other classes of users. In Alabama, for example, residential rates rose 167% from 1972 to 1980. Commercial rates increased 168% and industrial rates escalated 283% in the same period.

Union Carbide and its employees, customers, shareholders and the communities in which we operate have a vital stake in seeing America develop sound electricity pricing policies. In 1980, Union Carbide purchased 10.4 billion kilowatt hours of electricity, enough to supply the entire State of California for one month. Over the

past 8 years, Union Carbide's sales increased about 200% while consumption of electricity increased only 20%, largely because of strenuous conservation efforts. In this same period, Union Carbide's electricity costs rose almost 400%, and we expect them to increase more than 1200% over the next 20 years. By the year 2000, we expect that we will be using more than twice as much electricity as we did in 1980 to keep pace with expansions of our businesses.

Because Union Carbide believes that public opinion is a key factor in determining both the direction and the success of public policies, we commissioned a public opinion survey in the Summer of 1981 to gauge the public mood about electricity pricing, electricity supplies, and the public's sentiment on electricity pricing policy choices. Since electricity policies are decided at the state as well as at the national level, we also commissioned in-depth surveys in six states where Union Carbide has major operations—Connecticut, West Virginia, Alabama, Louisiana, Ohio, and California.

To test the implications of various electricity pricing approaches on industry, a battery of questions were asked relating pricing policies to economic growth, jobs, and the prices people pay for what industry produces. Most Alabamians say they do not want electricity pricing practices to stand in the way of economic growth in the areas in which they live.

- More than 7 out of 10 Alabamians recognize that industry pays attention—3 in 10 saying "a lot of attention"—to what the electric rates are when making a plant location decision.

- Approximately 6 out of 10 oppose charging industry more than it costs to supply them with electricity if it means that some companies might not expand their operations, move operations elsewhere, or that the number of new plants and jobs in their area would be reduced.

- About 8 out of 10 Alabamians recognize that the prices charged by industry are affected by what industry pays for electricity—one in four saying "a large effect." And 6 out of 10 would oppose raising industrial electrical rates, if, in fact, this did lead to increased prices for the goods and services industry produces.

The public's concern about the health of the American economy, reflected in this survey by their choice of policy alternatives that support economic growth, is consistent with the findings of three earlier surveys of public attitudes on economic issues sponsored by Union Carbide. We found in these surveys, conducted from late 1979 through early 1981, that Americans expressed strong and consistent concerns about our economy; had an awareness that America has to do a better job of competing in the world; and believed that government is the main institutional cause for the decline in the growth and competitiveness of our economy. The

results of these surveys reinforced findings of public opinion polls commissioned by others that showed that economic issues were the subjects most troubling to the public as the nation entered the new decade.

As the *Vital Consensus* (published in April, 1980) found, most Americans believed economic growth helped them personally and benefited the entire nation as well; they found growth highly desirable, but they were pessimistic about the likelihood of economic growth in the coming years. *Adversaries or Allies* (published in November, 1980) found almost universal agreement that our difficult economic problems—such as the high rate of inflation, rising energy costs, and inefficient governmental regulations—are exacerbated by needless conflicts among the various sectors of our society. And the public said they wanted all of our institutions—including government and business—to work together more closely to solve these problems. *The Emerging Consensus* (published in April, 1981) found continuing concern over the present state of the economy, general agreement that our economic problems were both a cause and a consequence of our present international trade difficulties, and a growing consensus that government and business must work together more closely if American industry is to become more competitive within a structure of international trade that is fair to all nations.

This fourth survey found most Americans continuing to select policy alternatives that would encourage industrial expansion, jobs, and sound economic growth. On the specific issue of electricity pricing, significant majorities concluded that their personal interests will be served best by the cost of service pricing approach.

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MONITION

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Introduction

This an analysis of a survey of public attitudes toward the problem of electricity supply and cost in Alabama and toward a number of possible electricity pricing policy options. The survey was conducted using a sample of 371 adults scientifically selected to reflect the attitudes of the entire over-18, non-institutionalized population of Alabama. All interviews were conducted by telephone on a confidential basis by trained, professional interviewers under the supervision of Cambridge Reports, Inc. field staff, between July 17 and July 29, 1981.

Objectives

This survey has the following objectives:

* To assess overall public awareness of and concern about supply of electricity in Alabama;
* To measure current attitudes toward electric utilities and the rates they charge; and
* To determine attitudes toward various electric utility rate issues.

Methodology

The methods used in this survey were the same professional ones used in all Cambridge Reports, Inc. surveys. All interviews were conducted by trained, professional interviewers under the supervision of the Cambridge Reports, Inc. field staff and were returned to Cambridge for coding and data processing using modern computer methods.

Notes on analysis

In reading through the report, please keep in mind the following points:

* The marginals on demographic charts (the number to the left of each demographic designation) show the percentage that the group represents of the overall base population; when the marginal is 15% or less on charts where the base population is approximately 371, conclusions based on these responses should be made with caution, as the numbers are based on a sample size too small to be entirely reliable;

* A copy of the questionnaire appears in Appendix A, for quick referral;

* Demographic charts discussed, but not included, in the text are available upon request from the Union Carbide Corporate Communications Department;

* In some cases, tables and charts may not add to exactly 100% due to rounding.

Summary

This survey of the attitudes of Alabama residents toward electric utility issues was conducted simultaneously with a national survey using the same questionnaire. The full analysis of the national survey results can be found in the report "Public Attitudes about Electric Utility Issues." The present report highlights how the attitudes of Alabama residents revealed in the survey compare to the attitudes of the American public as a whole.

On the major points of the survey, we find that the views of the citizens of Alabama closely resemble those of all Americans.

Alabama residents differ from the nation as a whole in two major areas of the survey. First, they are somewhat more concerned about electricity costs than the nation as a whole, and somewhat more inclined to describe those costs as high.

Alabama residents are also somewhat more likely than Americans as a whole to feel business will take electricity costs into account in deciding where to locate or expand plants. This could be a result of their "Sunbelt" experience over the last decade, which may have made them aware of the extent to which business really does consider costs.

In terms of attitudes toward cost-of-service pricing, Alabama residents are somewhat more likely than other people to agree with the overall concept, but otherwise their responses follow the national pattern. That is, while they support the overall concept of cost-of-service pricing, they are skeptical when they learn that industry might, as a result, pay a lower per unit price for electricity than residential customers. Only when they see benefits for themselves--in terms of lower prices for consumer goods or greater economic development--do they favor cost-of-service pricing as a practical choice.

The Problem of Electricity Supplies

The first part of our survey checked people's expectations about electricity supply problems in their area, both now and over the long term, and we then went on to ask people how they feel about various ways of ensuring adequate supplies of electricity.

The responses to these questions reveal no significant differences between the views of Alabama residents and the views of the American public as a whole. Like all Americans, people living in Alabama are much more concerned about the difficulty of ensuring electricity supplies in 10 years' time than they are about the difficulty of maintaining supplies today. And, likewise reflecting the opinions of the public as a whole, citizens of Alabama strongly prefer to expand--or extend--electricity supplies by increased conservation and increased use of coal rather than by increased reliance on nuclear power.

Electric Utilities and Their Rates

The second part of our survey, which tested people's perceptions about electric rates and about the possible causes of rate increases, does reveal some notable differences between Alabama residents and the nation as a whole.

First of all, people in Alabama are significantly more likely than people in the nation as a whole to feel that electricity costs are rising faster than other prices. Indeed, while the general public is convinced by more than a two-to-one margin that prices of other things are increasing faster, Alabama residents are almost evenly divided on the question.

Which do you think has gone up more since 1967--the cost of electricity or the cost of most other things?

	Cost of electricity	(Don't know)	Cost of most other things
National	29%	6	65
Alabama	45%	7	48

Demographic breakdowns show that this sentiment is fairly uniform throughout the Alabama population. Respondents earning more than $20,000 per year are only slightly less likely than poorer respondents to see the price of electricity rising higher than the price of other things. A complete demographic analysis follows.

Which do you think has gone up more since 1967--the cost of electricity or the cost of most other things?

1. COST OF ELECTRICITY 2. DK
3. COST OF OTHERS

		1.	2.	3.
Responses = 370				
MARGINALS		45	7	48
	18.PRICE BASED ON UTILITY'S COSTS			
35	TOTALLY	50	5	44
21	MOSTLY	39	8	53
38	SOMEWHAT	43	6	50
4	NOT AT ALL	62	8	31
2	DK	33	50	17
	27.SEX			
53	FEMALE	47	6	47
47	MALE	44	8	48
	28.EDUCATION			
24	SOME HIGH	45	8	47
39	HIGH GRAD	45	5	50
19	SOME COLLEGE	49	6	45
18	COLLEGE PLUS	45	9	46
1	DK	33	33	33
	29.INCOME			
23	0-9999	48	7	45
30	10-19999	50	5	45
38	20K AND OVER	40	6	53
9	REFUSED	47	16	38
	30.AGE			
38	18-35	44	4	53
32	36-55	47	8	45
28	55 AND OVER	47	9	45
1	REFUSED	25	50	25

Citizens of Alabama are also somewhat more convinced than other Americans that their electric bills are too high. As the next table shows, the number who say their bills are very or somewhat high is 7 points greater than in the nation as a whole.

Considering all the different ways you use electricity in your daily life and the benefits you receive for what you pay for electricity, do you feel that the rates your electric company charges are very high, somewhat high, about right, somewhat low, or very low?

	Very high	Somewhat high	About right	Somewhat low	Very low	(Don't know)
National	22%	44	30	3	1	1
Alabama	27%	46	25	1	1	--

Demographic breakdowns show that lower-income and less-educated Alabama residents are particularly inclined to feel their electric bills are high. Women are also significantly more likely than men to feel their bills are high despite benefits they receive from electricity. A complete demographic analysis follows.

Considering all the different ways you use electricity in your daily life and the benefits you receive for what you pay for electricity, do you feel that the rates your electric company charges are very high, somewhat high, about right, somewhat low, or very low?

1. VERY HIGH 2. SOMEWHAT HIGH
3. ABOUT RIGHT 4. SOMEWHAT LOW
5. VERY LOW

	Responses = 370	1.	2.	3.	4.	5.
	MARGINALS	27	46	25	1	1
	18.PRICE BASED ON UTILITY'S COSTS					
35	TOTALLY	31	40	27	1	2
21	MOSTLY	23	51	27	0	0
38	SOMEWHAT	26	51	22	1	0
4	NOT AT ALL	23	31	46	0	0
2	DK	17	67	17	0	0
	27.SEX					
53	FEMALE	32	45	22	1	1
47	MALE	22	49	29	0	1
	28.EDUCATION					
24	SOME HIGH	38	31	30	0	1
39	HIGH GRAD	27	50	23	0	0
19	SOME COLLEGE	17	52	26	3	1
18	COLLEGE PLUS	21	55	24	0	0
1	DK	33	33	33	0	0
	29.INCOME					
23	0-9999	34	36	28	1	0
30	10-19999	31	50	18	1	1
38	20K AND OVER	18	49	32	0	1
9	REFUSED	34	53	13	0	0
	30.AGE					
38	18-35	22	50	27	1	1
33	36-55	32	47	21	0	0
28	55 AND OVER	28	40	29	1	1
1	REFUSED	25	50	25	0	0

Utility Rate Issues

The third part of our survey focused on utility rate issues, particularly that of cost-of-service pricing. As the next table shows, when asked about the general theory of cost-of-service pricing, Alabama residents are more inclined than people in the nation as a whole to say electric rates should be based totally on costs. This difference is offset somewhat, however, by the fact that a smaller number of Alabama resiedents feel electric rates should be based mostly on cost.

Just in general, do you feel that the price of electricity to a consumer should be based totally, mostly, somewhat, or not at all on what it actually costs an electric utility to supply electricity to that consumer?

	Totally	Mostly	Somewhat	Not at all	(Don't know)
National	28%	30	35	4	3
Alabama	36%	21	38	4	2

Demographic breakdowns show that the sentiment that electric rates should be based entirely on cost is somewhat more prevalent among Alabama men than among women. People over 35 are also slightly more likely than younger people to feel this way. A complete demographic analysis follows.

Just in general, do you feel that the price of electricity to a consumer should be based totally, mostly, somewhat, or not at all on what it actually costs an electric utility to supply electricity to that consumer?

1. TOTALLY 2. MOSTLY
3. SOMEWHAT 4. NOT AT ALL
5. DK

	Responses = 371	1.	2.	3.	4.	5.
	MARGINALS	36	21	38	4	2
	18. PRICE BASED ON UTILITY'S COSTS					
36	TOTALLY	100	0	0	0	0
21	MOSTLY	0	100	0	0	0
38	SOMEWHAT	0	0	100	0	0
4	NOT AT ALL	0	0	0	100	0
2	DK	0	0	0	0	100
	27. SEX					
53	FEMALE	33	23	39	3	2
47	MALE	38	19	37	4	1
	28. EDUCATION					
23	SOME HIGH	37	14	39	8	2
39	HIGH GRAD	35	21	39	3	1
19	SOME COLLEGE	32	30	36	1	0
18	COLLEGE PLUS	38	24	36	0	2
1	DK	33	0	67	0	0
	29. INCOME					
23	0-9999	31	15	49	2	2
30	10-19999	40	21	35	4	1
38	20K AND OVER	35	25	35	5	0
9	REFUSED	34	22	34	0	9
	30. AGE					
38	18-35	32	24	39	5	0
33	36-55	38	21	34	4	2
28	55 AND OVER	39	17	42	1	2
1	REFUSED	0	25	50	0	25

This somewhat greater agreement with the general idea of cost-of-service pricing in Alabama may be due primarily to the fact that, as we see in the next table, Alabama residents are also more likely to feel industry pays a lot of attention to electricity prices in deciding where to build. Again, this may well be due to the fact that much of the boom in the South and West has been attributed to lower costs; respondents may have gained greater awareness of the cost-consciousness of industry by watching how it has moved into their own area to take advantage of lower costs.

Let's say a company is deciding where to build a new factory and has two or three different areas or regions under consideration. Assuming all other costs are relatively equal, do you think the company pays a lot of attention, as they make their plant location decision, to what the electric rates are in each location, some attention, only a little attention, or no attention at all?

	A lot of attention	Some attention	Only a little attention	No attention at all	(Don't know)
National	28%	44	15	12	1
Alabama	36%	41	12	9	2

Demographic breakdowns show that less-educated Alabama residents are actually more convinced than better-educated residents that industry pays a lot of attention to electricity costs in deciding where to locate. Older people are significantly more convinced of this than younger people. A complete demographic analysis follows.

Let's say a company is deciding where to build a new factory and has two or three different areas or regions under consideration. Assuming all other costs are relatively equal, do you think the company pays a lot of attention, as they make their plant location decision, to what the electric rates are in each location, some attention, only a little attention, or no attention at all?

1. LOT OF ATTENTION
2. SOME ATTENTION
3. LITTLE ATTENTION
4. NO ATTENTION AT ALL
5. DK

		1.	2.	3.	4.	5.
Responses = 371						
MARGINALS		36	41	12	9	2
	18. PRICE BASED ON UTILITY'S COSTS					
36	TOTALLY	41	33	14	9	3
21	MOSTLY	38	46	10	5	1
38	SOMEWHAT	33	44	12	10	1
4	NOT AT ALL	15	62	15	8	0
2	DK	33	50	0	17	0
	27. SEX					
53	FEMALE	37	36	16	9	2
47	MALE	35	47	8	8	2
	28. EDUCATION					
23	SOME HIGH	46	25	20	8	1
39	HIGH GRAD	33	48	7	8	3
19	SOME COLLEGE	32	49	12	7	0
18	COLLEGE PLUS	35	41	15	8	2
1	DK	0	33	0	67	0
	29. INCOME					
23	0-9999	33	38	19	9	1
30	10-19999	37	39	12	9	4
38	20K AND OVER	36	46	11	7	0
9	REFUSED	44	38	0	13	6
	30. AGE					
38	18-35	23	52	15	8	1
33	36-55	41	36	16	5	2
28	55 AND OVER	49	34	4	11	3
1	REFUSED	0	25	0	75	0

APPENDIX A

The Questionnaire

On a scale from "1" to "7," where "1" means "not difficult at all" and "7" means "very difficult," I would like you to tell me how difficult you feel the problem of providing an adequate and reliable supply of electricity in your area is. The more difficult you feel the problem is, the higher the number you would give.

1. How difficult today is the problem of providing an adequate and reliable supply of electricity in your area?

	Not difficult at all						Very difficult	[DON'T KNOW]
	1	2	3	4	5	6	7	8
National	25%	14	18	14	16	4	6	1
Alabama	20%	14	17	11	18	5	13	2

2. How difficult 10 years from now do you think the problem of providing an adequate and reliable supply of electricity will be in your area?

	Not difficult at all						Very difficult	[DON'T KNOW]
	1	2	3	4	5	6	7	8
National	11%	7	11	12	17	14	24	5
Alabama	9%	8	11	7	17	12	32	4

I'm going to read you some proposals for ways of providing an adequate supply of electricity, and I'd like you to tell me whether you strongly favor, favor, oppose, or strongly oppose each one.

3. Increasing our use of coal to generate electricity

	Strongly favor	Favor	Oppose	Strongly oppose	(Don't know)
National	23%	57	13	5	2
Alabama	26%	53	14	5	1

4. Building more nuclear power plants to generate electricity

	Strongly favor	Favor	Oppose	Strongly oppose	(Don't know)
National	15%	32	29	21	2
Alabama	16%	36	25	19	3

5. Increased conservation of electricity by individual consumers, business, and industry

	Strongly favor	Favor	Oppose	Strongly oppose	(Don't know)
National	40%	46	8	3	2
Alabama	32%	48	13	4	2

6. On a scale from "1" to "7," how would you rate your electric company overall if "1" means "very, very bad" and "7" means "very, very good"?

	Very, very bad						Very, very good	[DON'T KNOW]
	1	2	3	4	5	6	7	8
National	5%	3	11	18	27	19	18	--
Alabama	9%	3	11	18	24	17	17	--

7. Approximately what is your average monthly electric bill?

	$0-25	$26-50	$51-75	$76-100	$101-125	$126-150	$151-175	$176-200	Over $200	(Don't know)
National	19%	37	17	12	4	2	1	1	2	5
Alabama	6%	30	23	22	5	7	2	2	2	2

8. Generally, would you say that the rates your electric company charges are very high, somewhat high, about right, somewhat low, or very low?

	Very high	Somewhat high	About right	Somewhat low	Very low	(Don't know)
National	28%	38	29	3	1	1
Alabama	33%	43	22	1	1	--

9. Which do you think has gone up more since 1967--the cost of electricity or the cost of most other things?

	Cost of electricity	(Don't know)	Cost of most other things
National	29%	6	65
Alabama	45%	7	48

10. Do you think your electric company sets its own rates, or does a state commission set the rates that your electric company charges?

	Electric companies set own rates	(Don't know)	State commission sets rates
National	42%	9	49
Alabama	45%	9	45

Here are reasons some people give for the rise in electricity prices during the last 5 years or so. Please tell me if you think each of these is a very important, somewhat important, not very important, or not at all important reason for rising electricity prices.

11. Increased costs of fuel used to generate electricity

	Very important	Somewhat important	Not very important	Not at all important	(Don't know)
National	54%	38	5	2	1
Alabama	51%	38	7	4	1

12. Dependence on imported oil as a fuel for generating electricity

	Very important	Somewhat important	Not very important	Not at all important	(Don't know)
National	46%	31	15	7	1
Alabama	38%	34	14	11	3

13. The time it takes to meet environmental and health and safety regulations that are required by the government before a new power plant can be built

	Very important	Somewhat important	Not very important	Not at all important	(Don't know)
National	47%	35	12	5	2
Alabama	47%	36	11	4	2

14. The cost of controlling and decreasing air and water pollution caused by power plants

	Very important	Somewhat important	Not very important	Not at all important	(Don't know)
National	45%	35	15	3	2
Alabama	46%	35	12	4	2

15. The slow-down in constructing nuclear power plants

	Very important	Somewhat important	Not very important	Not at all important	(Don't know)
National	33%	33	23	7	4
Alabama	38%	33	19	6	4

16. The slow pace of conversion to greater use of coal to generate electricity

	Very important	Somewhat important	Not very important	Not at all important	(Don't know)
National	46%	35	13	4	3
Alabama	52%	33	10	4	1

17. Considering all the different ways you use electricity in your daily life and the benefits you receive for what you pay for electricity, do you feel that the rates your electric company charges are very high, somewhat high, about right, somewhat low, or very low?

	Very high	Somewhat high	About right	Somewhat low	Very low	(Don't know)
National	22%	44	30	3	1	1
Alabama	27%	46	25	1	1	--

18. Just in general, do you feel that the price of electricity to a consumer should be based totally, mostly, somewhat, or not at all on what it actually costs an electric utility to supply electricity to that consumer?

	Totally	Mostly	Somewhat	Not at all	(Don't know)
National	28%	30	35	4	3
Alabama	36%	21	38	4	2

19. Do you think that poorer people should pay less for the electricity they use or do you think that they should pay the same rates as other users?

	Pay less	(Don't know)	Pay the same
National	33%	2	64
Alabama	34%	2	64

20. It has been proposed that the government help poorer people pay for a certain basic amount of electricity. Would you strongly favor, somewhat favor, somewhat oppose, or strongly oppose such a program?

	Strongly favor	Somewhat favor	Somewhat oppose	Strongly oppose	(Don't know)
National	26%	34	20	19	1
Alabama	29%	31	17	22	2

21. In many parts of the United States industries that use a lot of electricity pay less than residential electricity users for each unit of electricity they use. Some say it is fair that industrial users pay less for each unit of electricity because it actually costs less to produce, transmit, and maintain this high volume, high voltage electrical service to industrial users than to provide electricity to residential users. Others say this is not fair. Even if it costs less to provide their service, they say industrial users should still pay the same rates as residential users because they can afford higher electricity rates more than residential users can. Assuming that it actually does cost less to provide electricity to industrial users, would you favor a system of charging industrial users less or would you favor charging industrial and residential users the same amount for each unit of electricity they use?

	Favor system of charging industrial users less	(Don't know)	Favor charging all users same amount for each unit of electricity
National	35%	2	63
Alabama	32%	2	65

22. How much effect do you think the electricity rates paid by industry have on the prices they charge consumers for the products they make? Do you feel that industrial electricity rates have a large effect on the prices paid by consumers for products and services, some effect, hardly any effect, or no effect at all?

	A large effect	Some effect	Hardly any effect	No effect at all	(Don't know)
National	25%	55	11	6	2
Alabama	27%	52	9	20	1

23. Some people say that making industrial users pay more for their electricity will help hold down electricity rates for residential consumers. Others say that while raising rates for industrial users may hold down residential electricity rates, consumers won't gain anything in the long run because higher industrial rates will ultimately just be passed along to consumers in the form of higher prices for products and services. Would you strongly favor, somewhat favor, somewhat oppose, or strongly oppose raising industrial electrical rates if in fact, this did lead to increased prices for the goods and services industries produce?

	Strongly favor	Somewhat favor	Somewhat oppose	Strongly oppose	(Don't know)
National	12%	27	29	30	3
Alabama	11%	25	33	29	2

24. Let's say a company is deciding where to build a new factory and has two or three different areas or regions under consideration. Assuming all other costs are relatively equal, do you think the company pays a lot of attention, as they make their plant location decision, to what the electric rates are in each location, some attention, only a little attention, or no attention at all?

	A lot of attention	Some attention	Only a little attention	No attention at all	(Don't know)
National	28%	44	15	12	1
Alabama	36%	41	12	9	2

25. Thinking about this area--would you favor or oppose having industrial users of electricity pay more than it costs to supply them with the electricity they use--thus holding down the increase in residential rates--if this meant that some companies and factories would not expand their operations and increase jobs in this area or might actually move to other areas that have lower industrial electricity rates?

	Favor	(Don't know)	Oppose
National	37%	4	59
Alabama	40%	4	56

26. Let's say there was a clear choice--your own electric rates would go up less rapidly but industrial expansion and the number of new plants and jobs in your area would be reduced. If that were the choice, would you strongly favor, somewhat favor, somewhat oppose, or strongly oppose having industrial electricity users pay more than it costs to supply them with the electricity they use?

	Strongly favor	Somewhat favor	Somewhat oppose	Strongly oppose	(Don't know)
National	9%	26	35	28	3
Alabama	9%	24	40	25	2

I'd like to ask you a few last questions for statistical purposes only.

27. [OBSERVATION] Sex

	Female	Male
National	50%	50
Alabama	53%	47

28. What was the last grade you completed in school?

1. Some grade school (1-8)
2. Some high school (9-11)
3. Graduated high school
4. Technical/vocational school
5. Some college
6. Graduated college
7. Graduate/professional school
8. (Don't know)

	1	2	3	4	5	6	7	8
National	6%	8	37	2	21	17	9	--
Alabama	8%	15	36	3	19	12	5	1

29. In which of the categories I read is the total annual income of this entire household--of everyone living in this house? [READ RESPONSES]

1. $0-6,999
2. $7-9,999
3. $10-12,999
4. $13-14,999
5. $15-19,999
6. $20-24,999
7. $25,000 and over
8. (Refused)
9. (Don't know)

	1	2	3	4	5	6	7	8	9
National	8%	9	7	7	13	14	35	6	2
Alabama	13%	10	8	8	14	16	23	6	3

30. What is your age? [RECORD IN PROPER CATEGORY]

1. 18-25
2. 26-35
3. 36-45
4. 46-55
5. 56-65
6. Over 65
7. (Refused)

	1	2	3	4	5	6	7
National	17%	26	16	17	11	12	1
Alabama	18%	20	16	17	15	12	1

Union Carbide Corporation
Corporate Communications Department
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